

November 16, 2007

**FILED**

**NOV 21 2007**

PEGGY B. DEANS, CLERK  
U.S. BANKRUPTCY COURT  
EASTERN DISTRICT OF N.C.

CLERK  
U.S. BANKRUPTCY COURT  
P.O. BOX 1441  
RALEIGH, NORTH CAROLINA 27602-1441

Holmes P. Harden, Trustee for IHI  
P.O. Box 536  
Benson, NC 27504

Dear Sir:

I am attaching proof of claim in re CASE NO: 98-02675-5-ATS and hereby requesting a hearing to assert such claim. It is my understanding that residents of Georgia are entitled to a full refund of any monies paid to International Heritage, Inc. (IHI). I filed an initial claim with the court immediately after Clark Howard, syndicated consumer advocate in Atlanta, first aired coverage of IHI's failure in which he indicated that Georgia residents would be made whole. My records show a series of phone calls after that initial contact in an attempt to recover my losses. I was told by the Clerk at that time that the matter had entered bankruptcy proceedings and that I would have to wait until it worked its way through the system before I could recover my investment.

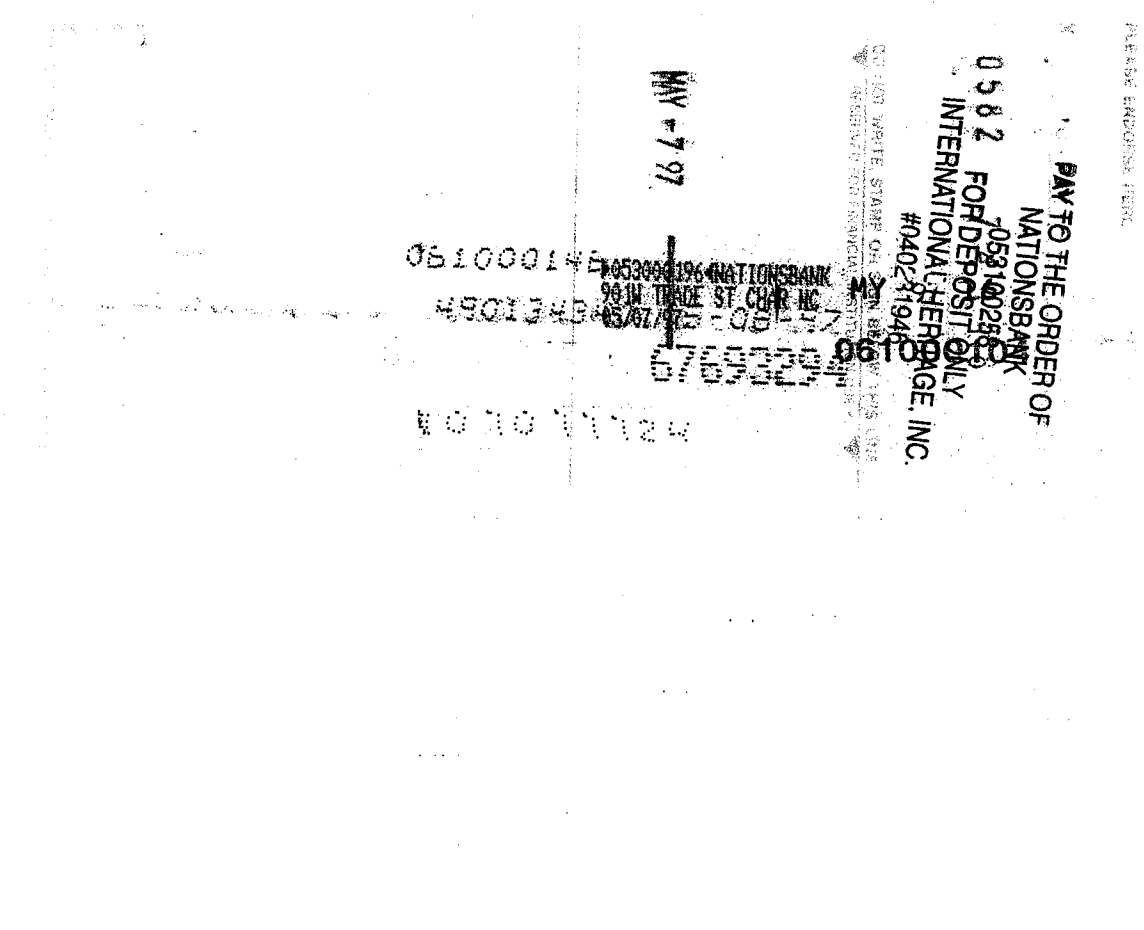
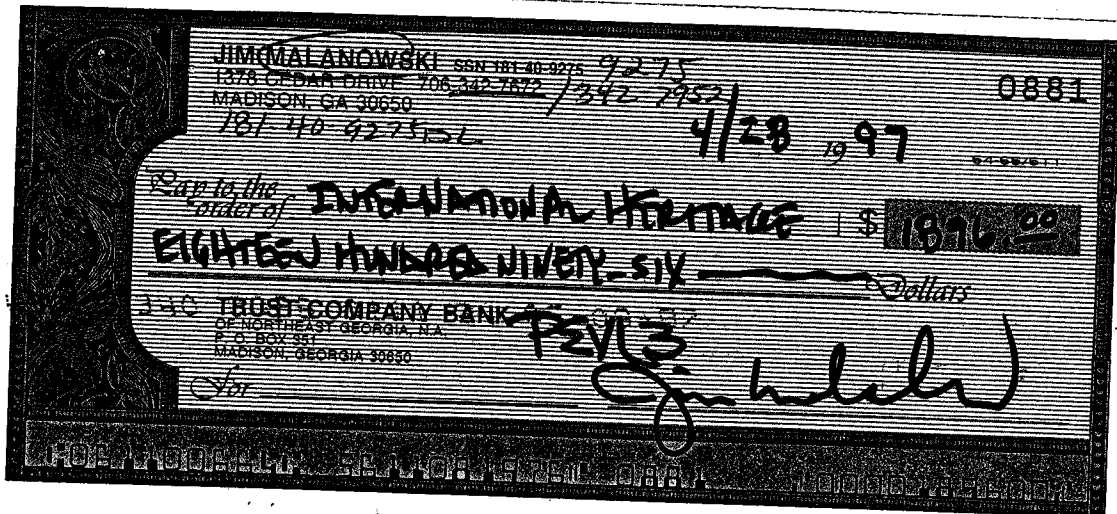
I respectfully request repayment of the one thousand, eight hundred, ninety-six dollars (\$1,896.00) that represents the total of my investment in products and services that were never delivered by IHI. I will forego any peripheral expenses that I incurred attempting to settle this matter.

Since I am a school teacher and would have to leave my students for a day, I would hope that the Trustee and the Court will see the validity of my claim and award me full compensation without a hearing, but I will gladly travel to Raleigh to present my case personally if necessary.

Sincerely,



James R. Malanowski  
1378 Cedar Drive  
Madison, GA 30650  
(H): 706-342-7672  
(C): 706-474-9405



March 24, 1998

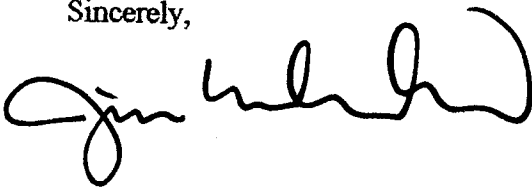
International Heritage Incorporated  
Corporate Offices, Suite 200  
Compliance Department  
2626 Glenwood Avenue  
Raleigh, NC 27608

To Whom It May Concern:

I understand that as a resident of Georgia I am entitled to a full refund of any money I paid to become a Sales Representative with International Heritage. I would like to receive a refund of the eighteen hundred ninety-six dollars (\$1896.00) I paid in regard to seven Retail Business Centers last year. I understand it will not negatively affect my sponsor. My identification number is 1496824.

Thank you very much.

Sincerely,

A handwritten signature in black ink, appearing to read "Jim Malanowski", written in a cursive style.

James R. Malanowski  
1378 Cedar Drive  
Madison, GA 30650

**INTERNATIONAL HERITAGE, INC.**

INDEPENDENT RETAIL SALES REPRESENTATIVE RETAIL RECEIPT FORM

The Independent Retail Sales Representative Retail Receipt Form is a required document for all direct product purchases and all Retail Business Agreements. If this form is not attached to a product order or Retail Business Agreement the paperwork will not be processed and will be returned to the Selling Representative.

**PURCHASING CUSTOMER INFORMATION**

MALANOWSKI JAMES R  
Name  
1378 CEDAR DRIVE  
Street Address  
MADISON GA 30650  
City State Zip  
(706) 342 7672 (706) 342 7952  
Home Phone Business Phone

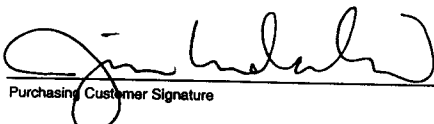
**SELLING REPRESENTATIVE INFORMATION**

Thornton, Philip  
Name  
3705 Bridgewater  
Street Address  
Columbus GA 31909  
City State Zip  
139170 (706) 568 6583  
Representative ID # Telephone

If the purchasing customer is considering joining International Heritage as a Representative but is purchasing product(s) prior or at the time of his/her association, this prospective Representative is making a retail product purchase as a non-member. If the purchasing customer subsequently becomes associated with the Company and orders products at a later date, those products would be considered purchases for personal consumption unless they are purchased for a retail sale.

\*The cancellation provisions of this receipt form apply only to the retail product purchase associated with this transaction. These cancellation provisions are unrelated to the Cash-Out option of the Retail Business Agreement (RBA).

ITEM #	PRODUCT DESCRIPTION	QTY	SIZE	COST	TOTAL
4033	102 China Panda	1	102	500	
9306	102 CAND MAPLE LEAF	1	102	500	
9301	102 AMERICAN EAGLE	1	102	500	
<del>4033</del>	102 CAND MAPLE LEAF	1	102	500	
4033	102 CHINA PANDA	1	102	500	
9301	102 AMERICAN EAGLE	1	102	500	
4033	102 CHINA PANDA	1	102	500	
<b>100% SATISFACTION GUARANTEE</b> Thank you for your order! If for any reason you are not completely satisfied with your product selection, you may return it within 10 days after receipt for a full refund from your International Heritage Independent Retail Sales Representative.				<b>SUBTOTAL</b>	
				<b>TAX (n/a if RBA)</b>	
				<b>SHIPPING (n/a if RBA)</b>	
				<b>TOTAL</b>	<b>1750.00</b>

  
Purchasing Customer Signature

4/28/97  
Date

YOU, THE BUYER, MAY CANCEL THIS TRANSACTION AT ANY TIME PRIOR TO MIDNIGHT OF THE THIRD BUSINESS DAY AFTER THE DATE OF THIS TRANSACTION. SEE THE NOTICE OF CANCELLATION FORM ON BACK FOR AN EXPLANATION OF THIS.

**Purchasing Customer/Prospective Representative (please answer the following):**

I am purchasing this/these product(s) for personal consumption. \_\_\_\_\_ Yes \_\_\_\_\_ No

I am purchasing this/these product(s) for retail purposes and have already sold or will be selling them to a retail customer. \_\_\_\_\_ Yes \_\_\_\_\_ No

**Selling Representative (please answer the following):**

This product has been sold to someone not affiliated with IHI. \_\_\_\_\_ Yes \_\_\_\_\_ No

Is this a direct product purchase for a retail sale? \_\_\_\_\_ Yes \_\_\_\_\_ No

If yes, I sold \_\_\_\_\_ ( # of products) items for a total of \$ \_\_\_\_\_ (retail total, not rep cost).

I understand that 70% of all products purchased must be resold to retail customers unless purchased for reasonable personal consumption.

Representative Signature \_\_\_\_\_ Date \_\_\_\_\_

**NOTICE OF CANCELLATION**  
**(For retail customers and direct product purchases.)**

You may cancel this transaction, without any penalty or obligation, within three (3) business days from the above date. If you cancel, any property traded in, any payments made by you under the contract or sale, and any negotiable instrument executed by you will be returned within ten (10) business days following receipt by the seller of your cancellation notice, and any security interest arising out of the transaction will be cancelled.

If you cancel this transaction, you must make available to the seller, in substantially as good condition as when received, any goods delivered to you under this contract or sale; or you may, if you wish, comply with the instructions of the seller regarding the return shipment of the goods at the seller's expense and risk.

If you do make the goods available to the seller and the seller does not pick them up within 20 days of the date of your notice of cancellation, you may return or dispose of the goods without any further obligation. If you fail to make the goods available to the seller, or if you agree to return the goods to the seller and fail to do so, then you remain liable for performance of all obligations under the contract.

TO CANCEL THIS TRANSACTION, MAIL OR DELIVER A SIGNED AND DATED COPY OF THIS CANCELLATION NOTICE OR ANY OTHER WRITTEN NOTICE, OR SEND A TELEGRAM,

to \_\_\_\_\_ NAME OF SELLER

at \_\_\_\_\_ ADDRESS OF SELLER'S PLACE OF BUSINESS

NOT LATER THAN MIDNIGHT OF \_\_\_\_\_ (date).

I hereby cancel this transaction. Date \_\_\_\_\_ Buyer's Signature \_\_\_\_\_

**INTERNATIONAL HERITAGE, INC.****INDEPENDENT RETAIL SALES REPRESENTATIVE APPLICATION****REPRESENTATIVE INFORMATION** (Applying Representative)

Social Security Number / Federal Tax ID#

181409275

Name of Representative (Last)

MALANOWSKI

(First)

JAMES

(Initial)

R

Mailing Address (No P.O. Boxes)

1378 CEDAR DRIVE

City/Town

MADISON

State

GA

Zip Code

30650

Home Phone

706 342 7672

Business Phone

706 342 7952

Fax Number

706 342 0975

Check one of the following:

Development Leader (1 Retail Business Center - does not require immediate certification)

Development Leader 1 (3 Retail Business Centers - requires immediate certification)

Development Leader 2 (7 Retail Business Centers - requires immediate certification)

Other:

**PLACEMENT SPONSOR INFORMATION** (where this new Retail Business Center is to be placed)

Social Security Number / Federal Tax ID#

259503942

Number

EXTENSION

007

Left or Right (circle one)

☐ L☒ R

Name of Representative (Last)

Pope

(First)

Richard

(Initial)

Home Phone

706 323 6281

Business Phone

AND/OR

Fax Number

**SPONSOR** (if different from above)

Social Security Number / Federal Tax ID#

421423813

Name of Sponsor (Last)

THORNTON

(First)

ELIZABETH

(Initial)

I AGREE TO THE ABOVE INDICATED INFORMATION AND AM BOUND BY THE TERMS OF THE POLICIES AND PROCEDURES MANUAL AND THE TERMS AND CONDITIONS OF THE INDEPENDENT RETAIL SALES REPRESENTATIVE AGREEMENT.

Representative's Signature

Date

4/8/97

**PAYMENT OPTIONS****A. Credit Card Authorization:** (Must be filled out completely)☐ MasterCard ☐ Visa (No other credit card accepted)

Card #

Expiration Date

Name of Cardholder

Signature

**B. Certified Check/Money Order #****C. Personal Check#**

(Personal Check Acceptance Form must be attached)

Mail Certified Check or Money Order along with original to:

INTERNATIONAL HERITAGE, INC.

2626 Glenwood Ave., Suite 200 • Raleigh, NC 27608

Phone: (919) 571-4646

\* Fax copies not accepted

**Application Fee**

\$ 0

**Administrative Fee (optional)**

\$ 25.00

Access to: Data &amp; Commission processing, news-letter, back office support &amp; communications, product updates, accounting &amp; other customary services

**Retail Business Career Kit**100.00  
\$ 75.00

Start up materials, flip chart presentation, sample forms, audio/video, product catalogue, monthly planner, etc. (not for profit)

**Career Kit State & Local Sales Tax** 6% \$ 6.00**Delivery Charge**

\$ 15.00

on Retail Business Career Kit (choose one)

☐ 2 Day Air \$15.00 ☐ Ground \$10.00**Total** from Product Order Form, Retail Business Agreement and Sales Aids Form

\$ 175.00

**TOTAL AMOUNT ENCLOSED**

\$ 189.00



The undersigned hereafter referred to as "Buyer" and International Heritage, Inc. hereafter referred to as "IHI" enter into this agreement effective as set forth below.

1. The buyer agrees to pay the sum of \$250.00 toward the purchase of an IHI product. **The Retail Business Agreement has a sixty (60) day cash value of \$250.00 per product selected.**
2. The Representative, by signing below, certifies that by placing this order, he/she has sold/ consumed 70% or more in dollar value of any previous order from International Heritage, Inc.
3. This Retail Business Agreement will become binding only after receipt at the corporate headquarters and acceptance there of by IHI.
4. All completed Retail Business Agreements received by IHI before 5:00pm EST of each Friday will be processed and, upon completion, the item(s) ordered will be shipped within five (5) business days, by insured courier.
5. THIS AGREEMENT IS SUBJECT TO ALL POLICIES AND PROCEDURES AS FORTH IN THE IHI INDEPENDENT RETAIL SALES REPRESENTATIVE HANDBOOK, IN ADDITION TO ALL TERMS AND CONDITIONS CONTAINED IN THE IHI BI-LATERAL COMPENSATION PLAN, THE REPRESENTATIVE APPLICATION, CERTIFICATION LETTER AND IRS W-9 FORM, ALL OF WHICH ARE INCORPORATED HEREIN.

CHOOSE ONE OF THE FOLLOWING:

☐

**BUY-OUT**

Buyer agrees that in order to complete this agreement and to receive the product ordered, the balance of \$\_\_\_\_\_, plus sales tax on total Representative Cost, plus a general administrative fee of 5% of total Representative Cost must be paid within sixty (60) days of the date of this agreement. Once Buy-Out expires, the Earn-Out option is still available. A charge back of business volume, if applicable, will occur when the Buy-Out is received by IHI home office.

☒

**EARN-OUT**

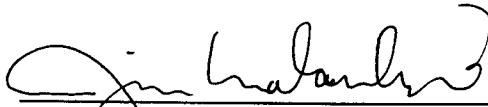
Buyer is a Representative and is making this purchase for resale or personal use and is applying commissions to be earned toward completing this agreement. There is **no** time limit in earning the product and there will be **no** 5% administrative fee with this selection.

☐

**CASH-OUT (ONLY AVAILABLE TO DEVELOPMENT LEADER WITH 1 RETAIL BUSINESS CENTER)**

Buyer desires to cancel this Retail Business Agreement and terminate the relationship with IHI. Buyer must sign below and return the Retail Business Agreement to the corporate offices of IHI within sixty (60) days from the date of this agreement. Buyer will receive 100% refund. When a Representative has achieved Level 1 earnings from IHI under any RBA or Business Center, the Cash-Out option is no longer available. If a Representative has not received a Level 1 earnings, he may elect the Cash-Out option. A charge back of business volume will occur when the Cash-Out is received by the IHI home office.



  
Buyer's Signature

Date \_\_\_\_\_

# INTERNATIONAL HERITAGE, INC.

## RETAIL BUSINESS AGREEMENT

**BUYER'S INFORMATION**

Social Security Number / Federal Tax ID#

181469575

Name (Last)

MADANOWSKI

(First)

TAMER

(Initial)

R

Company Name (Contact name must be provided above)

Shipping Address (no P.O. boxes)

1378 CEDAR DRIVE

City/Town

MADISON

State

GA

Zip Code

30666

Home Phone

706 342 7672

Business Phone

706 342 7952

Fax Number

706 342 0975

Cellular/Voice

**PRODUCT INFORMATION**

(Check One)

Retail Business Center	RBA Product Item Number (3 RBA's per Business Center max.)		
	RBA 1	RBA 2	RBA 3
0 0 1	4033		
0 0 2	9300		
0 0 3	9301		
0 0 4	9300		
0 0 5	4033		
0 0 6	9301		
0 0 7	4033		

Development Leader

(1 Retail Business Center with 60 day Cash-Out option)

Development Leader One

(3 Retail Business Centers Cash-Out option not available)

Development Leader Two

(7 Retail Business Centers Cash-Out option not available)

Recertification

Other

TOTAL

11503

**PAYMENT OPTIONS****A. Credit Card Authorization:** (Must be filled out completely)
☐ MasterCard
 ☐ Visa (no other credit card accepted)

Card #

Expiration Date

Name of Cardholder

Signature

**B. Certified Check/Money Order #****C. Personal Check #**

(Personal Check Acceptance Form must be attached)

Mail Certified Check or Money Order along with original to:

INTERNATIONAL HERITAGE, INC.

2626 Glenwood Ave., Suite 200

Raleigh, NC 27608

Phone: (919) 571-4646

\*Fax copies not accepted

I agree to the above indicated information and will be bound by the terms and conditions contained on the reverse side, the policies and procedures, and the Independent Retail Sales Representative Agreement and Handbook.


Purchaser's Signature

Date



ANY AND ALL ATTACHMENTS MUST BE ON 8 1/2" x 11" PAPER

FORM B10 (Official Form 10)(4/98)

UNITED STATES BANKRUPTCY COURT EASTERN DISTRICT OF NORTH CAROLINA		PROOF OF CLAIM
Name of Debtor INTERNATIONAL HERITAGE, INC.	Case Number: 98-02675-5-ATS	 98-02675-5-ATS <b>FILED</b> <b>FEB 16 1999</b> <small>THIS SPACE IS FOR COURT USE ONLY PROPERTY D. DEARS, CLERK U.S. BANKRUPTCY COURT EASTERN DISTRICT OF N.C.</small>
<small>NOTE: This form should not be used to make a claim for an administrative expense arising after the commencement of the case. A "request" for payment of an administrative expense may be filed pursuant to 11 U.S.C. § 503.</small>		
Name of Creditor (The person or other entity to whom the debtor owes money or property): JAMES R. MALANOWSKI Name and Address where notices should be sent:  JAMES R. MALANOWSKI 1378 Cedar Drive Madison GA 30650	<input type="checkbox"/> Check box if you are aware that anyone else has filed a proof of claim relating to your claim. Attach copy of statement giving particulars. <input type="checkbox"/> Check box if you have never received any notices from the bankruptcy court in this case. <input type="checkbox"/> Check box if the address differs from the address on the envelope sent to you by the court.	
Telephone Number: <u>706-342-7672</u>	Account or other number by which creditor identifies debtor: <u>1496824</u>	
1. Basis for Claim <input type="checkbox"/> Goods Sold <input type="checkbox"/> Services Performed <input type="checkbox"/> Money Loaned <input type="checkbox"/> Personal injury/wrongful death <input type="checkbox"/> Taxes <input checked="" type="checkbox"/> Other <u>SALARY</u>		<input type="checkbox"/> Retiree benefits as defined in 11 U.S.C. § 1114(a) <input type="checkbox"/> Wages, salaries, and compensation (fill out below) Your SS #: _____ Unpaid Compensation for Services Performed from _____ to _____ (date) (date)
2. Date debt was incurred: <u>4-28-97</u>	3. If court judgment, date obtained: _____	
4. Total Amount of Claim at Time Case Filed: <u>\$ 1896.00</u> If all or part of your claim is secured or entitled to priority, also complete Item 5 or 6 below. <input type="checkbox"/> Check this box if claim includes interest or other charges in addition to the principal amount of the claim. Attach itemized statement of all interest or additional charges.		
5. Secured Claim. <input type="checkbox"/> Check this box if your claim is secured by collateral (including a right of setoff). Brief Description of Collateral: <input type="checkbox"/> Real Estate <input type="checkbox"/> Motor Vehicle <input type="checkbox"/> Other _____ Value of Collateral: \$ _____ Amount of arrearage and other charges at time case filed included in secured claim, if any: \$ _____	6. Unsecured Priority Claim. <input type="checkbox"/> Check this box if you have an unsecured priority claim Amount entitled to priority \$ _____ Specify the priority of the claim: <input type="checkbox"/> Wages, salaries, or commissions (up to \$4,300)* earned within 90 days before filing of the bankruptcy petition or cessation of the debtor's business, whichever is earlier - 11 U.S.C. § 507(a)(3). <input type="checkbox"/> Contributions to an employee benefit plan - 11 U.S.C. § 507(a)(4). <input type="checkbox"/> Up to \$ 1,950* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use - 11 U.S.C. § 507(a)(6). <input type="checkbox"/> Alimony, maintenance, or support owed to a spouse, former spouse, or child - 11 U.S.C. § 507(a)(7). <input type="checkbox"/> Taxes or penalties owed to governmental units - 11 U.S.C. § 507(a)(8). <input type="checkbox"/> Other - Specify applicable paragraph of 11 U.S.C. § 507(a)(____). *Amounts are subject to adjustment on 4/1/01 and every 3 years thereafter with respect to cases commenced on or after the date of adjustment.	
7. Credits: The amount of all payments on this claim has been credited and deducted for the purpose of making this proof of claim.		THIS SPACE IS FOR COURT USE ONLY
8. Supporting Documents: Attach copies of supporting documents, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, court judgments, mortgages, security agreements, and evidence of perfection of lien. DO NOT SEND ORIGINAL DOCUMENTS. If the documents are not available, explain. If the documents are voluminous, attach a summary.		
9. Date-Stamped Copy: To receive an acknowledgment of the filing of your claim, enclose a stamped, self-addressed envelope and copy of this proof of claim.		
Date <u>2/12/99</u>	Sign and print the name and title, if any, of the creditor or other person authorized to file this claim (attach copy of power of attorney, if any): <u>James R. Malanowski</u>	
Penalty for presenting fraudulent claim: Fine of up to \$500,000 or imprisonment for up to 5 years, or both. 18 U.S.C. §§ 152 and 3571.		

NOTE TO ALL CREDITORS IN CONVERTED CASES ONLY:  
DO NOT FILE A CLAIM IF YOU FILED A CLAIM UNDER THE PREVIOUS CHAPTER

FORM B9D (Chapter 7 Corporation/Partnership Asset Case)(9/97)

Case Number 98-02675-5-ATS

**UNITED STATES BANKRUPTCY COURT**

Eastern District of North Carolina

**Notice of Chapter 7 Bankruptcy Case, Meeting of Creditors, & Deadlines**

A chapter 7 bankruptcy case concerning the debtor corporation listed below was filed on November 25, 1998.

You may be a creditor of the debtor. **This notice lists important deadlines.** You may want to consult an attorney to protect your rights. All documents filed in the case may be inspected at the bankruptcy clerk's office at the address listed below. **NOTE:** The staff of the bankruptcy clerk's office cannot give legal advice.

**See Reverse Side For Important Explanations.**

Debtor (name(s) and address):  
INTERNATIONAL HERITAGE, INC.

2626 GLENWOOD AVE., #200  
RALEIGH, NC 27608

Case Number:  
98-02675-5-ATS

Taxpayer ID Nos.:  
56-1921093

Attorney for Debtor (name and address):  
Terri L. Gardner  
Smith, Debnam, Hibbert & Pahl  
P. O. Box 26268  
Raleigh, NC 27611-6268  
Telephone number: (919) 250-2000

Bankruptcy Trustee (name and address):  
Holmes P. Harden  
P.O. Box 17169  
Raleigh, NC 27619  
Telephone number: (919) 981-4033

**Meeting of Creditors:**

Date: December 30, 1998 Time: 9:30 A.M.

Location: USBA Meeting Rm, Room 443, Century Station Bldg, 300 Fayetteville St, Raleigh, NC

**Deadline to File a Proof of Claim:**

Proof of Claim must be *received* by the bankruptcy clerk's office by the following deadline:  
For all creditors (except a governmental unit): March 8, 1999 For a governmental unit: May 24, 1999

**Creditors May Not Take Certain Actions:**

The filing of the bankruptcy case automatically stays certain collection and other actions against the debtor and the debtor's property. If you attempt to collect a debt or take other action in violation of the Bankruptcy Code, you may be penalized.

**Address of the Bankruptcy Clerk's Office:**  
CLERK, U.S. BANKRUPTCY COURT  
POST OFFICE BOX 1441  
RALEIGH, N.C. 27602-1441  
Telephone number: (919)856-4752

**For the Court:**

Clerk of the Bankruptcy Court:  
Peggy B. Deans

Hours Open:  
8:30 a.m. - 4:30 p.m.

Date:  
December 3, 1998